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SUBJECT: IIP U.S. RICE POLICY SPEAKER DR. GAIL CRAMER WINS
SURINAMERS OVER, DISPELS POPULAR MISCONCEPTIONS ABOUT US
RICE POLICY

Ref: PARAMARIBO 517

SUMMARY

[1](#)1. Dr. Gail Cramer, the Head of the Department of Agricultural Economics and Agribusiness at Louisiana State University, educated Surinamers about U.S. Rice Policy during an October 12-16 visit to Suriname. He met with a variety of government officials, politicians, rice farmers and exporters both in Nickerie, Suriname's rice district, and in the capital Paramaribo; toured Suriname's most successful rice company; attended an Amcham-hosted breakfast; taped an impromptu television program; and delivered two well-received public lectures. Throughout his visit, Dr. Cramer emphasized the US's commitment to free trade and its desire to end agricultural subsidies through World Trade Organization negotiations; the domestic considerations that drive US agricultural policy; and facts about the US's PL480 program, particularly with regard to Jamaica. While he acknowledged the long list of problems plaguing Suriname's rice sector, Dr. Cramer called on Surinamers to take steps that would allow Suriname to become more competitive on the global rice market, steps such as the reduction of production costs, investment in infrastructure and research, the tapping of new markets, and increased production of rice products. By presenting complex US rice policy in a straightforward manner, Dr. Cramer advanced key USG themes, specifically that of free trade and mutual understanding, and effectively disarmed critics of US rice policy. End Summary.

CRAMER WOWS AUDIENCE IN NICKERIE, SURINAME'S RICE DISTRICT

[1](#)2. IIP US Agricultural Policy speaker Dr. Gail Cramer, the Head of the Department of Agricultural Economics and Agribusiness at Louisiana State University, visited Suriname October 12-16 to educate Surinamers about US rice policy. During an October 14 visit to Nickerie, Suriname's rice district, Dr. Cramer met with farmers and government officials to discuss their concerns regarding the rice sector -- rice is Suriname's most important agricultural product. Hardheo Ramadhin, the District Commissioner for Nickerie, and Kadi Kartosoewito, Director of Adron, a rice research center, spoke at length with Cramer about the lack of investment in the rice sector, the lack of funding for research to develop new varieties of grains, and the unfair competition Suriname faces from larger rice growing countries, such as the United States. Both men voiced the common misperception that the United States is dumping subsidized American rice on the Caricom market through the PL480 program in Jamaica. (See Reftel for further discussion of Suriname's troubled rice sector).

[1](#)3. Dr. Cramer addressed these concerns during a lecture held at Adron, which was attended by influential rice farmers and exporters. Cramer rejected the claim that the United States' rice policy was hurting Suriname, one of Caricom's two rice exporting countries. He explained that the United States is subsidizing rice, but is not providing rice export subsidies or subsidies to cover production costs. According to Cramer, U.S. farmers can grow rice cheaper than all but two countries, even without US government assistance. Countering allegations that the U.S. is pursuing a double standard by subsidizing its domestic rice industry on the one hand and by promoting free trade on the other, Cramer said that the U.S. government was prepared to terminate all rice subsidies in 2002. However, due to large surpluses and a decrease in world rice prices, the USG was forced to change course. The USG remains committed to cutting subsidies only via World Trade Organization talks, Cramer said, as domestic political realities make it impossible for the US to terminate subsidies unilaterally. As for the PL480 program, Cramer explained that the U.S. had stopped providing rice to Jamaica for at least two years and that all current sales to Jamaica are commercial in nature. Dr. Cramer urged Surinamers to increase their

competitiveness by reducing production costs, investing in research and infrastructure, tapping into new markets, and expanding production of rice products.

14. Two issues raised by Cramer -- the degree to which US domestic politics influences US rice policy and the PL 480 program with Jamaica -- sparked lively discussions. Rice stakeholders were surprised about the active role Congress has played since 1929 in passing specific legislation to

support US rice farmers and about the billions of dollars in subsidies rice farmers receive annually. Attendees were surprised to learn that the United States is no longer supplying Jamaica with cheap American rice and expressed appreciation to Dr. Cramer for dispelling that popular misconception. In reaction to Dr. Cramer's presentation, Leakhat Mahawathkan, a National Assembly member who is also a rice farmer, told attendees that local politicians should learn from the US example and educate themselves even more about the rice sector and that the Government of Suriname should subsidize rice farmers. Mahawatkhan and the other attendees were so impressed with Dr. Cramer's presentation that they arranged for him to deliver an impromptu presentation on a local television program. The program was later dubbed in Dutch and Hindi to attract a wider audience.

VISIT TO A RICE FARM

15. Following his lecture, Dr. Cramer attended a lunch hosted by the Soechit family, one of the most important and successful rice producers in the country, and toured the family's rice company. During the tour, Dr. Cramer had the opportunity to view the entire rice production process, from harvesting, to the drying and grinding of rice paddy, to the packaging of the end product. The Soechit family later told the Embassy that they appreciated the opportunity to discuss the intricacies of the rice business with an American rice expert, one who had research experience in neighboring Guyana and who knew firsthand about the type of difficulties Surinamese farmers are currently facing.

MEETING WITH POLICYMAKERS, RICE EXPERTS IN PARAMARIBO

16. Dr. Cramer reiterated the points made with various interlocutors in Nickerie during a breakfast sponsored by the American Chamber of Commerce, a meeting with Rick Van Raavenswaay of Celos, the rice institute at Anton De Kom University, and a meeting with Jaswananth Sathoe, the Ministry of Agriculture's Permanent Secretary, in Paramaribo. While Cramer successfully conveyed U.S. rice policy to Van Raavenswaay and Amcham members, the meeting with Sathoe proved to be exasperating. Even though the Embassy stressed that Dr. Cramer is a university professor and not a government official, Sathoe refused to permit Cramer to speak, declaring "I do not want to listen to what you [Cramer] have to say." While the meeting with Sathoe amounted to a one-way barrage about the evils of US rice policy, which allegedly prevents small countries like Suriname from benefiting from free trade, it exposed Cramer to Surinamese sensitivities on this subject and to the tendency by some Surinamers to blame the US for their troubles.

DR. CRAMER CAPTIVATES AUDIENCE WITH HIS PARAMARIBO LECTURE

17. Dr. Cramer delivered a well-received lecture October 15 on US rice policy to a group of influential policymakers and rice stakeholders, including the Ministers of Trade and Industry and Agriculture, and political leaders from various parties. Like others before them, the audience was surprised by the amount of subsidies US rice farmers receive from the USG, the US commitment to ending subsidies via the World Trade Organization, and the termination of the US PL480 rice program for Jamaica. Because Dr. Cramer managed to disarm critics of US rice policy with his effective presentation, members of the audience focused on taking advantage of the Minister of Trade and Industry's presence to urge the government to invest in infrastructure and research, to help Surinamese farmers to compete, and to search for new markets. Many stayed for some time after Dr. Cramer's lecture to continue one-on-one discussions with him.

GPRA DATA

18. Justification and objectives: Embassy intended to promote a better grasp of U.S. Rice Policy and mutual understanding with Dr. Cramer's visit. Suriname is one of

Caricom's two rice-producing countries. Many stakeholders in the rice sector, which has been in decline for some time now, blame the US for adding to Suriname's woes by providing

cheap rice to Jamaica, which reportedly dumps cheap American rice on the Caricom market. Surinamers also regularly denounce the US for promoting free trade on one hand and for providing subsidies to its farmers on the other. Embassy hoped that Dr. Cramer's visit would dispel myths and provide factual information about US rice policy to Surinamese rice stakeholders. Several contacts had requested that the Embassy make some presentations on this topic, but due to lack of information, the Embassy was unable to fulfill these requests. Thanks to IIP's responsiveness and excellent coordination, we were able to find the perfect speaker for this narrow topic.

RESULTS/IMPACT

9. Results/Impact: Dr. Cramer did not convince many local rice merchants to support free trade in agriculture. Instead, discussions about the level of US subsidies/support to US rice farmers encouraged calls for GOS subsidies as well as greater GOS investment in Suriname's rice industry (i.e. infrastructure improvements, development of new varieties, and business management consulting). However, Dr. Cramer's visit helped educate Surinamers, particularly the movers and shakers in the rice sector, about US rice policy, the domestic considerations US politicians must take into account, the US commitment to free trade, and the PL480 program. Many contacts expressed appreciation for this Embassy initiative, noting that Dr. Cramer provided them with information on US rice policy that they had no access to previously and that their opinions had changed in favor of the U.S. on this topic.

COMMENT

10. Dr. Cramer succeeded in providing Surinamers with information on an issue that they knew little about but often criticized: U.S. rice policy. With his well-articulated, engaging style, Dr. Cramer captivated audiences in Paramaribo and in Nickerie District with the facts about US rice policy, while dispelling popular misconceptions about the US's alleged "hypocrisy" regarding free trade and its "dumping" of rice on the Caricom market. To our delight, Dr. Cramer's visit prompted a lively discussion by Surinamers of the need for politicians to educate themselves about the rice sector in order to make more informed decisions about the country's rice policy. The Embassy recommends Dr. Cramer as a speaker to other posts. End Comment.

BARNES

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